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ACTING EXECUTIVE SECRETARY

ARIZONA CORPORATION COMMISSION

January 25, 1999

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Arizona Corporation Commission
DOCKETED

JAN 25 1999

RE: Docket No. Re-00000C-94-0165

Dear Ms. Dallimore and Mr. Wakefield:

DOCKETED BY	<i>CJW</i>
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Pursuant to the direction of Chief Hearing Officer Rudibaugh at the January 22, 1999, procedural conference, Staff of the Arizona Corporation Commission hereby submits its comments regarding your proposal of January 4, 1999. These comments take into consideration the remark made by Chief Hearing Officer Rudibaugh to the effect that Affected Utilities will need at least thirty days to evaluate their stranded cost filings in light of modifications to the Commission's stranded cost order which will be considered at the February 17, 1999, Open Meeting.

In light of the discussion at the procedural conference, these comments are limited to proposing a procedural schedule for consideration of unbundled tariff and stranded cost filings of the Affected Utilities. We have attempted to construct a schedule that will allow all stakeholders the opportunity to fully participate in all of these proceedings.

Staff concurs with your suggestion for the Commission to consider unbundled tariffs and stranded cost filings on a consolidated basis for each Affected Utility. However, we propose that the Commission consider the filings of the individual Affected Utilities in a slightly different order than you suggested, based upon what we anticipate to be the level of effort in analyzing and responding to the filings. In addition, we have added a category for "Other Affected Utilities" in the event that Affected Utilities not specifically identified in the schedule wish to modify their unbundled tariff and/or stranded cost filings. We have not suggested dates for post-hearing briefs or proposed orders, in the belief that those matters are best addressed in the context of the specific hearings.

Your January 4, 1999, letter proposes that the unbundled tariffs of all Affected Utilities become effective on the same date. We concur with that suggestion, and propose that, other than for Navopache Electric Cooperative, the effective date be the date that competition is authorized to begin in Arizona for the Affected Utilities.

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Mr. Scott Wakefield
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Our suggested schedule is as follows:

1. **Affected Utilities file testimony and any modifications to existing stranded cost and unbundled tariff filings.**

March 19, 1999

2. **Intervenors and Staff file testimony addressing the following Affected Utilities:**

Citizens	April 19, 1999
AEPCO	April 26, 1999
APS	May 3, 1999
TEP	May 10, 1999
Other Affected Utilities	May 17, 1999

3. **Company rebuttal testimony.**

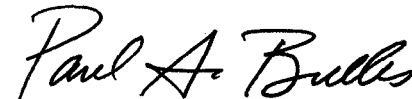
Citizens	May 3, 1999
AEPCO	May 10, 1999
APS	May 17, 1999
TEP	May 24, 1999
Other Affected Utilities	June 1, 1999

4. **Hearings.**

Citizens	June 7, 1999
AEPCO	June 14, 1999
APS	June 21, 1999
TEP	July 12, 1999
Other Affected Utilities	July 26, 1999

We look forward to sharing our thoughts with you at tomorrow's meeting.

Very truly yours,



Paul A. Bullis
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